

- .1 All payments of aid or other actions affecting the aid status of a recipient or applicant for aid shall be authorized by completing and placing in line for processing authorization documents specified or approved by the Department, in accordance with instructions for their use. (Continued)
- .13 Each county treasurer is required to establish a program for direct deposit by electronic fund transfer of payments. This subsection shall apply in each county that offers a program for direct deposit by electronic fund transfer to some or all of its employees and the terms and conditions of the direct deposit shall be the same for employees and recipients.
 - .131 An electronic fund transfer means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account.
- .14 Any recipient eligible to receive a public assistance payment(s) may authorize their grant to be directly deposited by electronic fund transfer at the financial institution of his/her choice. The financial institution of recipient's choice must be a participant in the Automated Clearing House.
 - .141 Public assistance payment means cash assistance provided to, or on behalf of, a person eligible for a public assistance program as provided for in Part 3, Division 9 of the Welfare and Institution Code. Public assistance payments include, but are not limited to, a warrant, electronic fund transfer, or check. Public assistance programs include, but are not limited to, the California Work Opportunity and Responsibility to Kids (CalWORKs) Program, the Refugee Resettlement Program-Refugee Cash Assistance Program, and Kinship Guardianship Assistance Payment (Kin-Gap) Program.
 - .142 Payments to a service provider for services rendered to a recipient may be made by electronic fund transfer at the county's option. The services may include, but are not limited to, child care and foster care.
- .15 For purposes of Section 25-301, the following definitions apply:
 - .151 Financial institution is defined as an institution, deposits of which are insured by a federal deposit insurance agency or instrumentality, or a private share insurance or guaranty arrangement including, but not limited to, banks, savings banks, savings associations, credit unions, and industrial loan companies.

- .152 Account is defined as a demand deposit checking, savings or share draft account established primarily for personal, family or household purposes. (Continued)
- .4 The following actions shall be authorized only by the director or the director's authorized delegate.
 - .41 Authorization to Commence Aid

Authorization to commence aid shall be processed as follows: (Continued)
 - .413 Payments and payrolls shall be run when the final group of documents is processed for inclusion in the master file. (Continued)
 - .45 Authorization After Death
 - .451 When an aid payment is authorized after death for a recipient of CalWORKs, Refugee Resettlement Program-Refugee Cash Assistance, Cuban-Haitian Entrant Program-Entrant Cash Assistance, or Refugee Demonstration Project Cash Assistance Program, for periods prior to the first of the month following his/her death, the normal authorization procedure in that particular county welfare department is utilized.
- .5 Cancellation of a Public Assistance Payment
 - .51 A public assistance payment to which a payee is not entitled and any voided public assistance payment shall be cancelled by claiming the public assistance payment on the payroll and offsetting the claim on the Cancellation Contra Roll. (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10063(a), 10553, 10554, and 11006.2, Welfare and Institutions Code; Section 4981(a)(2), Financial Code; and Section 1748.30(b), Civil Code.

25-302 REISSUANCE OF PUBLIC ASSISTANCE PAYMENTS 25-302
REPORTED LOST, STOLEN, DESTROYED, OR LOST IN THE MAIL
(Continued)

- .3 Any public assistance payment made by an electronic fund transfer that was not completed due to, but not limited to, closed account, the failure of an electronic fund transfer, or the payment inadvertently went to the wrong account, shall be reissued in compliance with Government Code Sections 29850 through 29854.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code; and
Sections 29850, 29851, 29852, 29853, 29853.5, and 29854, Government Code.

Amend Section 25-303 to read:

25-303 PUBLIC ASSISTANCE PAYMENTS AFTER DEATH

25-303

- .1 If an eligible recipient in CalWORKs, Refugee Resettlement Program-Refugee Cash Assistance, Cuban/Haitian Entrant Program-Entrant Cash Assistance, or Refugee Demonstration Project Cash Assistance Program case dies on, or after, the first day of the month, aid shall be paid for the full month in which the recipient died in accordance with MPP Section 44-207.3.
- .2 If a CalWORKs payee dies, see MPP Section 44-305.12. A public assistance payment shall not become part of the payee's estate when a new payee is to be determined. Such instances shall include, for example, protective payments made to a substitute payee, and payments made to a legally appointed guardian or conservator.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10063(a), 10553, 10554, and 11006.2, Welfare and Institutions Code.

25-304 ENDORSEMENTS OR AUTHORIZATION OF
PUBLIC ASSISTANCE PAYMENTS

25-304

- .1 Public assistance payments shall be endorsed or authorized by the payee except as provided in MPP Section 25-304.2.
- .2 Public assistance payments not endorsed or authorized prior to the death of the recipient or payee.
 - .21 A payment which has not been endorsed or authorized prior to death of the recipient shall be endorsed or authorized only by the duly appointed and qualified executor or administrator of the recipient's estate, or other persons authorized by law to receive monies otherwise due the decedent.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code.

.2 Trust Funds

Counties establishing trust funds when CWD employees are selected as substitute payees shall comply with one of the following procedures:

- .21 A public assistance payment shall be issued from the welfare disbursement fund to the substitute payee; endorsed or authorized by the substitute payee; deposited to the trust funds; and credited to the individual recipient's account;
- .22 If the substitute payee serves more than one recipient, a single public assistance payment may be issued to cover the grants for all such recipients. In addition to meeting the requirements specified in Section 25-305.21, the payment shall be accompanied by a list of case numbers, names, grant month, and amounts for each recipient, wherein the amount column total must agree with the payment amount;
(Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code.

25-306 VENDOR PAYMENTS - ACCOUNTABILITY AND REQUIREMENTS 25-306
(Continued)

.3 Unexpended Balances of Aid

Any unexpended balance of authorized aid not encumbered by outstanding vendor orders, or not fully utilized upon completion of such orders, shall be paid to the recipient by a county public assistance payment. If the recipient cannot be located, the unexpended balance shall be abated to federal, state, and county funds as applicable depending on the source of the aid funds at the time the funds were authorized.

.31 Such remaining funds shall be abated when the case is discontinued or when the public assistance payment is claimed as a cancellation. (Continued)

.6 Welfare Disbursement Fund

Counties making vendor payments directly from the welfare disbursement fund shall meet the following criteria. (Continued)

.62 The unrestricted portion of the grant shall be paid by a public assistance payment to the recipient; (Continued)

.65 Any unexpended balance following deductions for outstanding vendor orders shall be paid by a public assistance payment to the recipient.

.7 Trust Funds and Trust Accounts

.71 Counties making vendor payments through use of trust funds shall meet the following criteria: (Continued)

.712 The unrestricted portion of the grant to the recipient shall be paid by public assistance payment from the welfare disbursement fund; (Continued)

.715 Any unexpended balance in the account following deductions for outstanding vendor orders shall be paid by public assistance payment to the recipient.

.72 Counties making vendor payments through use of a trust account within the welfare disbursement fund shall meet the following criteria: (Continued)

.723 The unrestricted portion of the grant payment to the recipient shall be recorded and disbursed by public assistance payment through the trust account; (Continued)

.725 Any unexpended balance in the account following deductions for outstanding vendor orders shall be paid by public assistance payment to the recipient.

.8 General Assistance Procedures

.81 Counties making vendor payments through General Assistance procedures shall meet the following criteria: (Continued)

.812 The unrestricted portion of the grant to the recipient shall be paid by public assistance payment from the welfare disbursement fund; (Continued)

.814 Any unexpended balance in the account following deductions for outstanding vendor orders shall be paid by public assistance payment to the recipient.

.9 Procedures Utilizing CDSS Forms ABCD 278L, List of Authorizations to Start, Change or Stop Aid Payments (Rev. 9/99) and ABCD 278M, Authorizations to Start, Change or Stop Aid Payments (Rev. 11/93). (Continued)

.94 When all vendor bills for the month are received, a determination shall be made of the unexpended amount, if any, and paid by public assistance payment to the recipient.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code.

25-310.3 AUTHORIZATION AFTER DEATH

25-310.3

If a recipient of CalWORKs, Refugee Resettlement Program-Refugee Cash Assistance, Cuban-Haitian Entrant Program-Entrant Cash Assistance or Refugee Demonstration Project Cash Assistance Program dies, aid may be authorized after death for periods prior to the first of the month following his/her death.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10063(a), 10553, and 10554, Welfare and Institutions Code.

25-330.9 ENCLOSURES WITH PUBLIC ASSISTANCE
PAYMENTS

25-330.9

Enclosures mailed with public assistance payments are restricted to those matters relating to the administration and the purpose of the program under which the payment is issued.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code.

Amend Section 25-506 to read:

25-506 PARTICIPATION IN EXCEPTION PUBLIC ASSISTANCE
 PAYMENTS

25-506

For claiming of otherwise available federal and/or state participation, public assistance payments must be payable to the payee as designated in the specific program regulations. (MPP Sections 44-305.12 and 45-301.1 and .2). Exception: In instances when the welfare trust account for the specific program has not been charged with the full cost of payment to which the recipient is eligible, and the funds are owed to an entity other than the recipient, a ~~public assistance payment~~ warrant may be payable to such entity. Public assistance payments may also be issued to accomplish the transfer of funds between accounts where necessary to comply with CDSS instructions. (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code.

Notwithstanding Section 25-301, direct deposit of assistance payments must be made available to CalWORKs recipients in all counties that offer a program of direct payroll deposit to some or all of their employees.

- .1 The CWD shall notify recipients of the option to receive benefits by direct deposit at the time of application or redetermination.
- .2 The recipient can request at anytime to receive direct deposit.
- .3 The recipient shall be eligible for direct deposit for the duration they are on aid.

Authority Cited: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code.

Reference: Section 11006.2, Welfare and Institutions Code.

- .1 Forwarding of Warrants

When a CalWORKs warrant is mailed, the envelope containing the warrant shall bear a statement that the warrant is not to be forwarded and that an address correction is requested (Welfare and Institutions Code Section 11006.4). (Continued)
- .3 Changes in Frequency

Counties shall, when electing to change frequency of delivery: (Continued)
- .32 Recipient Notification

Notify all recipients of CalWORKs in writing at least 30 calendar days prior to converting from one payment frequency to another. (Continued)
- .5 Standard Delivery Dates
 - .51 Semimonthly Delivery

The county shall deliver ongoing payments as follows when the county has selected semimonthly delivery:

 - .511 First Warrant

The county shall place the first warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first day of the payment month unless the county received the completed CW 7 after the tenth day prior to the end of the report month.

If the completed CW 7 is received after the tenth day prior to the end of the report month, but on or before the first day of the payment month, the county shall not delay the payment and shall place the warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the payment month if possible, but not later than the tenth calendar day of the payment month.

.512 Second Warrant

The county shall place the second warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the 15th calendar day of the payment month.

.52 Monthly Delivery

The county shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the payment month unless the completed CW 7 is received after the tenth day prior to the end of the report month.

If the completed CW 7 is received after the tenth day prior to the end of the report month, but on or before the first day of the payment month, the county shall not delay the payment and shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be received by the first day of the payment month if possible, but not later than the tenth day of the payment month.

.6 Exceptions to Standard Delivery Date

.61 Weekends/Holidays

(Continued)

.611

With respect to direct deposit electronic fund transfer, when a payment date falls on a weekend or holiday, funds shall be electronically transferred so that the funds are available to the recipient on the first day of that month.

HANDBOOK BEGINS HERE

(a) Example:

If the first of the month is on a Monday and Monday is a holiday, the direct deposit electronic fund transfer must be made on the prior Friday or Saturday (depending on the financial institution) to ensure that the funds are available to the recipient on the first of the month.

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.62 (Continued)

.7 Recipient Dies

If a warrant is cashed or a direct deposit electronic fund transfer is made, but the recipient subsequently dies or becomes ineligible for aid there is no right to recovery.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10063(a), 10553, 10554, 11006.2, 11251.3, 11453.2, 11455 and 17012.5, Welfare and Institutions Code; 45 CFR 206.10(a)(6)(D); 45 CFR 233.23; 45 CFR 233.29(a)-(d); 45 CFR 233.31(b)(4); 45 CFR 233.32; and Balderas v. Woods Court Order.

.2 Alternate Payment System (Continued)

- .22 Such an alternate payment system must receive written approval of the California Department of Social Services before it may be implemented. The plan must provide that: (Continued)
- .222 The aid payment shall be issued by mail or by direct deposit electronic fund transfer in time to be available to the recipient on the dates specified under Section 44-305.23.
- .223 Upon changing aid payment periods for any recipient, the recipient shall be provided a payment for the prorated amount of aid for the interim period between the end of the old payment period and the beginning of the new payment period. The prorated payment shall be made on the old aid payment delivery date.
- .224 (Continued)
- .225 Upon approval of the plan by the state and the assignment of an applicant to an alternate payment period, the recipient shall be informed of the payment period, budget period and dates he can expect his aid payment.
- .23 Aid payments to CalWORKs families residing in counties with approved semimonthly alternate payment systems shall be made in two installments during the payment period as follows:
- .231 The county shall issue the first aid payment by mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first day of the assigned payment period, unless the county received the completed CW 7 after the tenth day prior to the end of the assigned report period. If the CW 7 is received after the tenth day prior to the end of the assigned report period, but on or before the first day of the assigned payment period, the county shall not delay the payment and shall issue the first aid payment in time to be available to the recipient by the first day of the assigned payment period if possible, but not later than the tenth day of the assigned period.
- .232 The county shall place the second warrant in the mail or complete the second direct deposit electronic fund transfer in time to be available to the recipient by the 15th day of the assigned payment period. (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10063(a), 11006.2, and 11254, Welfare and Institutions Code; 45 CFR 233.29, 45 CFR 233.31(b)(4) and 45 CFR 233.32.

.5 Cancellation or Reduction of the Second Installment of a Month's Aid Payment
(Continued)

- .52 Any cancelled or reduced payment is subject to all notice requirements as outlined in
Section 22-022.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code.

When a public assistance payment is delayed because of changes in circumstances not related to continuing eligibility or to the correctness of grant, the county shall immediately take whatever action is necessary to determine the changed circumstances and issue the payment at the earliest possible date. (Continued)

.2 Factors Causing Delay in Payment (Continued)

- .24 Death of a recipient -- when reissuance of the warrant or payment is appropriate but not possible until the person entitled to the warrant or payment is determined under Probate Law, the limitations specified in .11 and .12 above are not applicable (see Handbook Section 25-520.7).
- .25 The complete CW 7 (see Section 40-181.241) is received after the tenth day prior to the end of the report month regardless of good cause - the first warrant shall be mailed or electronic fund transfer made in accordance with Section 44-305.231.
- .26 Electronic Fund Transfer Accounts -- If the direct deposit electronic fund transfer was incomplete due to, but not limited to, closed account, the failure of the direct deposit electronic fund transfer, or the payment inadvertently went to the wrong account, the county shall immediately take whatever action is necessary at the earliest possible date.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code.

The following forms apply to the regulations in Divisions 40 through 50 and 80 through 89.
(Continued)

c. (Continued)

(12) CW 7

The “Monthly Eligibility Report” (Rev. 7/00) is used to collect information for cash aid and food stamps. The CW 7 replaces the CA 7.

(13) through (15) (Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: 45 CFR 206.10(a)(8); Sections 10553, 10950, 11054, 11450(b), 12300, 12300.2, 12304, 12304.5, and 14132.95, Welfare and Institutions Code, and Judgment Re: Tyler v. Anderson, Sacramento Superior Court Case No. 376230, dated January 22, 1999.